

**Saint Paul Planning Commission
City Hall Conference Center
15 Kellogg Boulevard West**

Minutes November 19, 2010

A meeting of the Planning Commission of the City of Saint Paul was held Friday, November 19, 2010, at 8:30 a.m. in the Conference Center of City Hall.

Commissioners Present: Mmes. Donnelly-Cohen, Merrigan, Porter, Thao, Wang, Wencl, Young; and Messrs. Alton, Commers, Connolly, Fernandez, Gelgelu, Kramer, Nelson, Schertler, Spaulding, Ward and Wickiser.

Commissioners Absent: Ms. *Halverson
*Excused

Also Present: Donna Drummond, Planning Director; Cecile Bedor, PED Director; Lucy Thompson, Patricia James, Allan Torstenson, Penelope Simison, Josh Williams, Anton Jerve, Kate Reilly, Luis Pereira, Christina Morrison, Sarah Zorn, Jessica Rosenfeld, Emily Goodman, and Sonja Butler, Department of Planning and Economic Development staff.

I. Approval of minutes November 5, 2010.

MOTION: *Commissioner Alton moved approval of the minutes of November 5, 2010. Commissioner Thao seconded the motion. The motion carried unanimously on a voice vote.*

II. Chair's Announcements

Chair Donnelly-Cohen announced that the Steering Committee discussed the nominating committee for 2011. Commissioner Spaulding was asked to serve, and she is looking for two additional commissioners to be on the nominating committee. There will be a couple of commissioners leaving the commission this year so there will be some positions open on the executive committee.

III. Planning Administrator's Announcements

Donna Drummond reported that there was an appeal of the Planning Commission's decision on 2446 University Avenue, which was a dispute regarding the counting of parking spaces. The City Council denied the appeal last Wednesday night.

IV. PUBLIC HEARING: Central Corridor/Traditional Neighborhood Zoning Text Changes – Item from the Comprehensive Planning Committee. (*Donna Drummond, 651/266-6556, and Sarah Zorn, 651/266-6570*)

Chair Donnelly-Cohen announced that the Saint Paul Planning Commission was holding a public

hearing on the Central Corridor/Traditional Neighborhood Zoning Text Changes. Notice of the public hearing was published in the Saint Paul Pioneer Press on November 10th, November 17th, and November 24, 2010, and was sent to the citywide Early Notification System.

Donna Drummond, Planning Director, said that today's public hearing is on the proposed zoning code text amendments and this will be followed by a public hearing on December 3rd on the proposed property rezonings recommended in the study. There are people here today who would like to testify on both the text changes and the map changes for the property rezonings, so staff is recommending that the commission accept testimony on either the text changes or the map changes at the hearing today. With that being said Ms. Drummond gave some background on the reason for the study. The need for the study came out of work that was done to plan for the future of development along the Central Corridor line. Over the past four years there have been neighborhood task forces that developed the Central Corridor Development Strategy, which is an overall vision for the corridor, and that was followed up by station area plans. It was determined during that process that the City's toolbox of existing zoning districts and requirements would not facilitate the type of development that's envisioned for University Avenue.

The zoning study was initiated by the Planning Commission in August 2007 with the understanding that the study would follow development of the Station Area Plans for University Avenue. The Central Corridor Overlay District was put in place in 2008 to provide some temporary requirements along the corridor until there was adequate time to undertake this comprehensive study. In reviewing the options for permanent zoning to replace the current overlay district, staff determined that the City's existing Traditional Neighborhood Zoning Districts would generally facilitate the type of development that's desired along University Avenue. These districts are not a perfect fit and there is a need for some revisions to facilitate the type of development envisioned in the City's adopted plans for Central Corridor. The TN Districts were first added to the zoning code in 2004.

Ms. Drummond summarized what is being proposed, including the creation of a new Traditional Neighborhood 4 district, which would allow additional height and density where it is appropriate. Tweaks to the existing TN1 through 3 districts are being proposed to better fit existing market conditions. Properties identified in the Central Corridor Development Strategy for re-development, also known as the "area of change" is where the City wants to encourage re-development in response to LRT. Most new auto-oriented uses would be prohibited, and existing auto-oriented uses would be grandfathered in and could stay indefinitely. Auto service stations would be conditional uses in TN2 along University Avenue, but not citywide. Additional job producing commercial uses would be added to the TN districts. Some auto related uses would be added as conditional uses in the IR, industrial restricted district along University Avenue, but not citywide. Minimum parking requirements in the station areas would be eliminated if paired with a system of permit parking along the corridor. Minor revisions to TN design requirements are proposed. These zoning recommendations are based on policies in the Central Corridor Development Strategy and Station Area Plans that have already been adopted by the Mayor and City Council as part of the Comprehensive Plan. The new zoning requirements will primarily affect property owners and developers who are planning for new building construction. Existing buildings and businesses can remain indefinitely until the owner decides to redevelop the property. TN zoning will expand development capacity along the corridor while enhancing the design of new development. The new zoning will replace the existing Central Corridor Overlay District, which will expire in June 2011.

Chair Donnelly-Cohen read the rules of procedure for the public hearing.

The following people spoke.

1. Mr. Thong Nguyen is the owner of Thong Auto Repair at 904 University Avenue. He has owned his business since 1989 and in that time he has built up a lot of customers in the neighborhood, most people from Vietnam like himself. His business is located in a neighborhood with a lot of Vietnamese people who need work done on their cars. He understands that with the new zoning he will be able to remain as a legal non-conforming use. He is afraid that if they are not part of the new zoning, businesses like his will eventually be forced out of the neighborhood.
2. Ms. Julie Esch, current chair of the Midway Chamber of Commerce, said that the goal of the Midway Chamber is to make the Midway area a great place for businesses to grow and create jobs. The Midway area has been the fuel for Saint Paul's economic engine and they are concerned that over time some of the zoning changes proposed in this study will result in a loss of industrial enterprises and thus a loss of jobs. The Midway area has a competitive advantage that many cities do not have, which is a prime location that attracts manufacturing companies that sell and distribute their products nationwide and worldwide. These companies bring money into our city and our region and provide good jobs to our residents. This is an advantage worth keeping. The Midway Chamber also prepared written comments, which were distributed.
3. Mr. Paul McGinley is a board member of the Midway Chamber Commerce at 1600 University Avenue. Mr. McGinley said that the Midway Chamber has been a strong and active guiding force in the effort to bring light rail to the Central Corridor. They support the City of Saint Paul's efforts and they recognize how difficult the planning and implementation process is in the face of something this significant. Through their review of the documents, and in meetings with businesses that are both members and non-members of this chamber, there are three (3) primary concerns that they have heard. One is the loss of the City's ability to grant variances. The Chamber's suggestion that in order to retain the flexibility that has been lost is to include more uses in the T zones and more uses that are conditional. The second concern is the number of conforming properties that will be turned into nonconforming uses by the zoning. Their suggestion is more permitted uses and more conditional uses and the third concern is the loss of industrial land. The Chamber recommends that land more than one block off of University Avenue, west of Hampden, be allowed to revert to its zoning prior to the overlay and not be rezoned to T zoning. This is consistent with preserving the industrial land off of the corridor as the Development Strategy recommended. The Midway Chamber of Commerce will continue its positive and collaborative work with the Saint Paul Planning Commission, Planning Department, City Council, and Mayor's office in both crafting this important zoning change and assuring the success of LRT.
4. Mr. Michael Glasgow is the son of the owner of Glasgow Auto at 740 University. Mr. Glasgow would like the Planning Commission to consider including automotive repair in TN2 zoning. Glasgow Auto has been in business there going on 65 years; his grandfather opened it after the war in 1946. He thinks that auto repair has a vital role on the Avenue and cars are not going to be eliminated in our society. He invited everyone to drive

down, not University but the side streets and see how many cars are located on all of the side streets. They all will require repair at some time or another and people tend to do this within their neighborhood. Eliminating auto repair and making them nonconforming is going to deeply impact his family's livelihood and eventually eliminate auto repair and such businesses on the Avenue. He wants Glasgow Automotive to be able to continue on the Avenue for 65 more years with his 16 year old son who would one day take over the business.

Commissioner Alton said that the Glasgow property is currently zoned B2 or B3 and asked if Mr. Glasgow is not opposed to the rezoning to TN2, but would like auto repair to be included as a permitted use in the TN2 zone.

Mr. Glasgow agreed and said that it will affect the ability to get financing to purchase the business from his father and to improve the building. It is the original building and they need to replace part of it and if auto repair is not zoned that way then they will have a hard time updating that part of the building.

5. Ms. Barbara Pecks is a carpenter representing the Carpenters Union. She is also involved in a steering committee for an initiative called Healthy Corridor for All. At that time about 21 people stood up to be recognized as supporting this initiative. Ms. Pecks continued to speak saying that as a committee member they gathered together this summer and had numerous meetings thinking about what they wanted to happen along Central Corridor. They came up with three (3) things that they think are vital to having a healthy corridor for everyone. Those things are transportation, housing and a healthy economy. The Healthy Corridor for All Committee is in the process now of evaluating and gathering information on the people who live along the Central Corridor line so they can understand some of the things that may be impacted. Some of the things they are bringing forward are not only going to be addressed by zoning, but there are other areas where they will be addressed. To say that zoning has no effect on that would be to miss an opportunity to have an affect on what happens along the corridor. They are going to be very involved in what happens along the corridor and they look forward to working with City staff to make this a healthy corridor for all. The Healthy Corridor for All prepared written comments, which were distributed.
6. Ms. Amy Xiong said that Evelyn Randle and Liz Xiong had to leave so she will be giving testimony in their absence. Ms. Xiong represents Take Action Minnesota & Hmong Organizing Program at 1821 University Avenue. She is part of the Hmong Organizing Program which has about 30 Hmong leaders and Take Action Minnesota has about 10,000 members and 30 organization members. She is also part of the Healthy Corridor for All project and would like to share some of their baseline research. Their baseline research has found that over 25 percent of the Central Corridor families in 2010 are single-parent families with children under 18 years old. The fastest growing group of people along Central Corridor are those 25 and over with less than a 9th grade education. The Central Corridor is significantly more diverse than Ramsey County, including a rising 20 percent of foreign-born residents. One-third of the Central Corridor's population is Hmong. Over 60 percent of Central Corridor households earned less than the Ramsey County median household income in 2000 and 2010. Over the decades, the Central Corridor has increased in its proportional share of the lowest two categories of household income. The hope is that the Planning Commission members will take into

account how innovative zoning policies are used across the country to leverage benefits for disadvantaged communities and take the time needed to consider these policies, because it impacts a wide variety of different community members. Also, Evelyn Randle and Liz Xiong will send in their written testimony to the Planning Commission before December 6, 2010.

Commissioner Porter asked if she could repeat the wage statistic that was quoted.

Ms. Amy Xiong said over 60 percent of Central Corridor households earned less than the Ramsey County median household income in 2000 and 2010.

7. Pastor Jonathan Zielske of Hope Lutheran Church and is also a member of the Healthy Corridor for All Steering Committee. He said that as a person of faith and a leader in this community he commends what has been done in presenting the many opportunities for community input about the corridor project and he asks the Planning Commission to recognize that this chapter has not been written yet. Each of the Planning Commissioners has been given a great task to create policy that includes an ever widening circle of God's children. Another thing that his faith tells him is that God is in charge and has put us here as stewards of the land. At times we too often make the market out to be God; it is done in subtle ways most of the time but we often act like we are afraid of doing the right thing because we fear the market will punish us. He does not wish to make the market more powerful than God. Yet this does not mean that they are anti-market. But they are about putting people first. Now what does this have to do with zoning? Pastor Zielske then gave a number of examples where other cities like Los Angeles; New York; Cleveland, Ohio; Arlington, Virginia; and Madison, Wisconsin have been creative and have put people and possibilities first rather than solely the market. Cities across this country have used zoning to leverage benefits for the community in the form of fast food bans, lighting requirements for pedestrian walkways, and bicycle parking requirements. These are a few of the creative ways that zoning can shape the city. Pastor Zielske is not specifically advocating for one of these, but he is advocating for creativity and openness on the city's part.

They feel it is imperative that they receive a jargon free report that spells out how the city has done or will do with these goals. He asked what the best way is to receive follow-up, and what the City might propose so that they have the assurance that the City is considering these goals that have been raised. They look forward to a continued positive collaboration with the City.

8. Mr. Jim Erkel is with the Minnesota Center for Environmental Advocacy (MCEA). He also served on the University Avenue Central Corridor Task Force. There are three (3) points that he wants to make and the first is that the experience with other regions and research in the Central Corridor itself suggest that a region's investment in light rail will attract development worth at least five times the project's cost and to realize this potential the City must set the stage with its land use regulations. The proposed zoning changes represent good steps in this process; however the City is leaving a substantial amount of development potential on the table. The proposed zoning for University Avenue should more closely reflect the development potential reflected in the Central Corridor Development Strategy. Second point is that the Development Strategy contains a number of references to making certain that there is room for affordable housing in new

development and redevelopment along the Avenue. The Development Strategy recommends the adoption of an inclusionary housing policy. The MCEA supports the comments of the Housing Preservation Project (HPP) on this issue and they say it is possible to integrate both the need for additional density on the Avenue with the density bonuses that have been identified by the HPP. And thirdly the Development Strategy calls for support of small business on University Avenue and the proposed zoning should require carve outs of separately leasable retail in any major development project exceeding a certain limit. Separate retail could be sized so that the spaces are large enough to support new businesses coming out of the neighborhoods, but too small to satisfy the business models for corporate franchises. The separate retail could face the street and provide varied and engaging pedestrian experiences along the Avenue. The proposed zoning changes are good first steps but as the ghost in the field of dreams, the City needs to go the distance if it is to realize the development potential of the region's investment in light rail and to accomplish goals of the Development Strategy.

9. Mr. John Slade is the Ramsey County organizer for Metropolitan Interfaith Council on Affordable Housing (MICAHA). If you look at the Central Corridor Development Strategy, which is part of the Comprehensive Plan, and the Overlay District, those deal with a broad view of what is going on, but just looking at the new zoning categories in the new zoning map reminds him of someone who has taken their comprehensive auto insurance and decided to just go with collision. It is important what the City is doing and the zoning is important but the City has some big picture things here today and he and some others are here to talk about some of those. The two areas that they have as priority concerns are that the new construction along the corridor include a large amount of affordable housing and that current homeowners and renters are not priced out of the corridor, another name for that is gentrification. Regarding new construction on the corridor, they have a goal called the 50/50 plan, hoping that 50 percent of the new housing being built along the corridor will be affordable. What they would like the Planning Commission to consider today, as Jim Erkel said, is to consider a density bonus for affordable housing within the TN3 and TN4 zones. This kind of density bonus is simple and it encourages the private market. They also recommend that the definition of affordability go down to 20 percent of the area median income. The Twin Cities has recently gotten funding from some national funding sources, the Sustainable Communities and Living Cities initiatives, and they think that there are more funds out there for affordable housing. They encourage the City to be aggressive and get those funds. At some point they want the City to deal with the issues of people getting involuntarily forced out of their neighborhoods.
10. Ms. Benita Warns is owner of Mr. Michaels Recycle Bicycle Shop. They are in a two-story mixed use building that has twenty-two units of affordable housing that is not subsidized and there are several small businesses as well. Young entrepreneurs are coming into the area and are experiencing affordable rents for business opportunities. The City needs to preserve affordable rents for small start up businesses that become the kind that area cherished by the neighborhood. They are concerned about completely dropping minimum parking requirements. There is a need to reduce parking, but to completely reduce parking in TN3 and TN4 zones will adversely impact small businesses like hers. Also TN4 zoning should not be within 500 feet of any low-density residential, because of the spillover impacts that are going to happen with the parking. One more concern is that Saint Paul has only grown by 700 people in the last decade and the City

has built about 3,000 units of housing in Saint Paul as part of the Housing 5,000 initiative. This push to build so much multi-housing in the city needs to make sure that they are building housing for families with children. This zoning code should have a set of rules that the City sticks to instead of all these exceptions and that would make the code easier to understand.

11. Mr. Michael Belaen is the Director of Public Affairs with the Saint Paul Area Chamber of Commerce. He talked about the proposed zoning amendments that they support and the areas of concern. The Chamber is concerned about the number of structures and uses that will become legally nonconforming as a result of the zoning changes. They believe that zoning changes that unnecessarily render building structures and uses nonconforming undermine important investments that have been made and will inhibit future investment. Designation as nonconforming stigmatizes affected commercial, industrial, and residential properties. Second, they believe the City's proposal is geographically too broad and will force private investment away from University Avenue as it will impose restrictions that developers or property owners will be unwilling to meet. Variances will be difficult to grant given the recent Supreme Court decision. Third, the implementation of zoning changes should be consistent with the recommendations of the West Midway Task Force, which is currently developing recommendations for the West Midway Industrial Area. The fourth concern is regarding application of Travel Demand Management plans (TDM) in downtown Saint Paul. The Chamber opposes the introduction of TDM requirements in the downtown area. There should also be consideration of the current state of the economy. Unnecessary restrictions will cause the loss of investment opportunities in the Corridor. A detailed letter of support, concerns and recommendations from the Saint Paul Area Chamber of Commerce was submitted.

Commissioner Connolly had a question not specifically for the speaker, but he was wondering about the variance ruling stemming from the City of Minnetonka case. Is that going to remain finished law or is it being addressed in the legislature this year?

Donna Drummond, Planning Director, said that the decision that is being referred to was made some time last summer, and basically the Supreme Court really tightened up the standards that cities have to follow in approving variances. It overturned how cities have been handling variances for many years under the existing law. The Supreme Court invited the Legislature to fix that and make it again easier for cities to approve variances. There is work underway by the League of Minnesota Cities and other entities to put forward some language for consideration in the next Legislative session. We hope there will be some action on this at the next legislative session.

12. Mr. Peter Latuff is the owner and operator of Latuff Brothers Auto Shop on University Avenue. He does not want the City to paint auto body shops and auto businesses with such a broad brush, because there will always be a need for auto shops. Most of their customers come from a 3 mile radius. They shop, live, and work in the area. A lot of their customers drop off their vehicles and take transit to where they have to go. Latuff Brothers is currently a nonconforming business and has always been. What they would like to see added to the TN zoning is auto specialty stores and auto repair stations. The auto repair industry also provides good high paying jobs with long term employment.

Commissioner Nelson asked Mr. Latuff about the nonconforming status of his auto shop and how that has impacted the operation of the business.

Mr. Latuff said that he is not concerned with the past, but he is concerned with what will happen in the future because it's going to limit the sale of his business and limit the financing to expand his business either in the present location or in another location.

Commissioner Connolly asked what the median wage for the auto business is.

Mr. Latuff said it is not uncommon for someone to earn \$60,000 - \$70,000 a year. There are some people who make more than that and he is not just talking about managers, he is talking about people that work the line. Most of his employees have worked for him for 20-plus years with one who has been there 41 years. These are good citizens of the community; they are not disruptive people.

13. Mr. Tim Thompson is President of the Housing Preservation Project. They share the City's goal of ensuring that a broad range of incomes will be able to live along Central Corridor over the long term. Part of the challenge is using all of the tools available to produce affordable housing. The big limitation is the limits of public subsidies available to make units affordable. There is a zoning related strategy that can be very effective to produce additional affordability beyond the limits of public subsidies and that is inclusionary zoning, something that is currently not part of the City's zoning changes. The idea is that you can engage the private market by offering them zoning incentives, most commonly density bonuses, but others as well and in return expect the developers to include affordable units in their developments. Both the Comprehensive Plan and the Central Corridor Development Strategy identify inclusionary housing as a strategy that the City should be looking at and yet it is not in these current proposed changes. This issue has to be dealt with at some level now and at the very least the City ought to be looking at putting something into preserving its ability to add this strategy in, in the future. A letter was submitted just prior to the public hearing.

Commissioner Schertler asked Mr. Thompson how would he define affordable housing given that zoning deals with shape, form and land use. Commissioner Schertler said to presume he is a developer of a 100-unit condominium building and he is asked to provide for some affordable units. How would zoning staff define and verify that?

Mr. Thompson said that currently City policy defines the level of affordability that they expect which ranges from 30 percent of area median income up to 60 percent.

Commissioner Schertler said that is based on what they do to monitor income if you are doing a tax credit project. There are requirements for tenants and income limits or rent limits. Given this is would be a zoning requirement, how do you define and monitor the affordability?

Mr. Thompson said typically that gets built into the inclusionary housing policy that gets adopted and there would be some administrative cost involved.

14. Ms. Lorrie Louder is Director of Business and Intergovernmental Affairs with the Saint Paul Port Authority. Their mission is to create jobs, expand the tax base and advance

sustainable development. They believe the rezoning area is too broad and they recommend two things. First, amend the boundary to retain industrial zoning one block back from University Avenue. Keep the zoning that was in place before the overlay. Second, allow a new permissive overlay district for higher density uses that would accommodate future market demand. Several results would happen, there would be no net loss of employment capacity, and there would be a positive economic development message from the City to the business community and elimination of negative impacts. The Port is a property owner of industrial property at 620 Pelham Avenue, which is adjacent to the Rock Tenn Recycling Plant. The Port sits on the West Midway Study group and their understanding from the staff is that the group is studying a different geographic area than what the zoning proposal covers. However the map indicates that their Pelham property is in the West Midway study area and not in the rezoning district and yet they were told that the Pelham property is subject to the zoning district so sometime in the future they would like to have clarification.

Ms. Louder would like to give kudos to the planning staff. The Port thinks that the planning staff is terrific in this region if not the country and all in all they see the Central Corridor project to be one of the most significant and positive transformations that can happen in an urban environment. Although the Central Corridor Development Strategy and rezoning proposal have excellent points, unfortunately they don't adequately address light industrial businesses, job retention, and growth. None of the key principles in the Central Corridor Development Strategy mention industrial uses; the Port believes this is a big hole. The station area plans do not provide reference to industrial although other uses are addressed. Two hundred seventy-five acres is the amount of industrially-zoned land within the corridor. The proposal provides for 64 percent of current industrial property in the study area to be changed, which creates a negative impact on industrial businesses in that part of the Midway. Businesses have unlimited location options and while certain regulations are necessary, layering restrictions provides incentive for those businesses to leave. The Port believes that the zoning area and the 1/4 mile around each station area is far too broad. There should be no net loss of industrial uses, because of the economic growth, tax base, business orders to suppliers and high wage jobs they provide.

In conclusion, every study that the Saint Paul Port Authority has seen over the past decades regarding jobs, indicates that the best paying jobs and the benefits come from the industrial sector.

Commissioner Alton said if the properties were not rezoned and they remained zoned industrial, and a developer acquired an industrially zoned property and wanted to build affordable housing on it, would the Port Authority be supportive of that?

Ms. Louder agreed and said that is why they added the second part to their recommendation that if the market provides other opportunities or alternatives then that should be permitted through some type of a permissive overlay.

Ms. Drummond wanted to clarify that under industrial zoning you cannot build a strictly multi-family project; there are certain types of community residential facilities that are permitted in industrial zones.

Commissioner Kramer asked about the industrially-zoned districts that are being proposed on University Avenue. Does the Port Authority have any thoughts about which industrial zoning districts are most appropriate?

Ms. Louder said that first of all they are very supportive of the proposed zoning one block or so back of University Avenue, whether it is IR or TN 1,2,3,4. IR zoning has created an issue for their customers and it gets to things like parking requirements and requiring facades on the buildings that are more expensive than some very quality tilt up panels. They are not speaking against using IR on University itself, but beyond that the Port Authority far prefers the (I1) light industrial and the Port's development covenants make good sense and work well.

Commissioner Schertler asked how much demand there is for industrial land. In this corridor there will be demand for residential and retail uses. He wants to make sure that the City respects the demand for the Port's product.

Ms. Louder said that the demand is strong. She has been in this business for over 30 years and she has never seen a recession where there wasn't industrial demand. Does it peak and valley, yes, but is it always there, absolutely.

Commissioner Ward asked Ms. Louder about the idea of an alternative overlay in some of these industrial areas along the corridor and she mentioned that this should be tied to market conditions. In the Port Authority's proposal with this overlay, how would they propose to tie it to those market conditions, when are those overlays implemented and are there any sunset provisions?

Ms. Louder said that they had not thought about any sunset, it's more of a conceptional idea, the inverse of what they see the city staff proposing in terms of some of the ideas on properties that are a distance from University Avenue. Let the industrial market move forward, let's not lose the employment centers, let's not lose the industrial land through non-conforming uses where businesses may leave. If there is an industrial parcel or several that the market says they want to do higher density development on then whatever this overlay district would be, would allow that. Going out the gate let's protect our industrial land and the jobs that will be generated.

15. Mr. Tait Danielson Castillo is Director of District 7 Planning Council, soon to be Frogtown Neighborhood Association. They are disappointed with the process up to this point. The process is solely created and run by the City and is not a community process. PowerPoint presentations, diagrams and maps assembled by consultants and meetings facilitated by City staff requires reaction rather than participation. Ideally a process would have allowed for engagement, similar to what is done for an area plan. In that development process, they are assembled, facilitated and written by residents and business owners and ultimately assisted by the City staff. This particular case it seems like City staff assembled their own ideas and asked the people to react to them. The District 7 board of directors has written a resolution. One of the things of concern is alley access. Within the draft zoning amendments alleys along Central Corridor are frequently referred to as important secondary circulation routes and contain language that will allow for the increased use of alleys. The City has not adequately informed owners and residents of homes, located along the south side of Sherburne Avenue that these

amendments are being proposed. By allowing more traffic to use the alleys between Sherburne and University Avenues there will be adverse affect to the quality of life of those who reside along these alleys. The District 7 Planning Council Board of Directors request that the Planning Commission require City staff to send a certified letter to each property owner and tenant along Sherburne and Aurora from Rice Street to Highway 280, informing them of the proposed changes to alley access. Mr. Danielson Castillo said he knows for a fact that most residents along Sherburne Avenue not only do not understand what's going to happen to their alleys, but most if not all of them believe that their houses will be taken by eminent domain. In conclusion, he hopes they can continue this process in some way, that there are ways to re-engage somehow, but it needs to start with an explanation in more detail about what these zoning standards will do to residents and to the alleys along the corridor all the way to Thomas Avenue. A written copy of their resolution was distributed.

Commissioner Kramer asked if the District Council arrived at any position about parking requirements in what areas given the two alternatives that are in the proposal.

Mr. Danielson Castillo said that the Metropolitan Council and the county need to seriously reconsider four-lanes of University Avenue and bringing it back down to two-lanes so they can bring back on-street parking along the corridor. If there are not parking requirements for any businesses in T zoning and they don't require any parking the City staff has suggested permit parking. All the scenarios are difficult to comprehend but what will be the final result of where people will park, we do not know. To decide how to deal with that is completely unclear now and parking for sure will be a big problem for Frogtown and anyone else living around or near the corridor.

Commissioner Ward said in Mr. Castillo's first opening statement was that there has been some difficulty in communication between the City, neighborhood groups, the County and Metropolitan Council. A lot of the meetings have taken place at the old library at 1080 University Avenue, and have you found those to be informative and have the residents in the area been able to get accurate information?

Mr. Castillo said if something is presented to you in a way that you have a City hearing or a City community meeting that you come to and you're asked to give your input and you're not presented with how your concerns are developed into the final product, it becomes difficult to understand why you continue to go. One thing is the City should come to meetings that already exist. How many meetings did PED staff go to at the Center for Hmong Arts and Talent, Family Center, Hmong Cultural Center or at the District 7 Planning Council's community meetings, not to present something but to come and ask what do you love about this community, how would you like to see it built, what kind of businesses would you like to see, what are your parking issues at this time and how would you see them differ once Central Corridor is built? Those questions are essential rather than reaction to something that's being done to them. What we are coming down to is process is a unique thing, and what we often at times need is an understanding that it's a community process and not a City process asking for the community to react to.

16. Mr. George Younes is owner of a uniform clothing store on University Avenue. He would like to have more uses added to the Traditional Neighborhood zoning. He would

like to see some of the auto uses that currently are prohibited, because they are needed to have a functioning neighborhood and a commercial district on University Avenue. His customers, neighbors and friends all have cars and they will still have cars after the light rail and every now and then those cars will need repairs. It is very convenient to have those facilities on the Avenue. Be our advocate, that is your solemn duty to adhere to those who you govern and diligently implement what is needed for their survival. The voices of the people are crying out to you and are here today asking for your help.

Commissioner Connolly questioned why some of these uses are not in the proposed list of allowed uses in TN zones?

Donna Drummond, Planning Director, said that when the Traditional Neighborhood Zoning Districts were created in 2004, there was a decision at that time to not permit very many auto related uses in TN districts. Whether or not there should be some reconsideration of that is an issue where there are different opinions on the right way to move forward.

Commissioner Fernandez said that he is familiar with Mr. Younes' business which involves a lot of deliveries to the business, so specifically how will having more traffic going through the alley impact your business?

Mr. Younes said one thing is that his property does not have any side lot access. The businesses are all stacked up against each other and there is no possibility to expand or to have additional parking. So deliveries are all done with the trucks pulling up in the parking lane on University Avenue. Another problem in conjunction with the deliveries is the fact that the customers park on the Avenue. They come in to buy their goods and go and the issue is where can they park? Residents are 120 feet back from the Avenue and right behind his business. There are residential units and to try and use the alley ways for delivery is a problem. It is not wide enough. There are garages lined up all the way through where people are trying to get out. Also there is the snow plowing issue; the alley gets to be quite a mess. His building is in the middle of the block so that means his customers would have to park on the side street and walk to his business. There is a large concern of how to have their customers access them and get deliveries and be able to function as a normal business area.

17. Mr. Michael Latuff's family owns two business properties on University Avenue. The property he is here to talk about is the property rented to Enterprise Rental Car. The zoning staff has recommended that auto service stations be added to T2 zoning as conditional use. He is asking that car rental be a conditional use. The major share of Enterprise customers are weekend car rentals and with Enterprise being on the light rail line and maybe the only car rental on the light rail line makes it very convenient for people to take the light rail either to pick-up or drop-off the rental car. Enterprise has been on University for 15 years. It is important to the residential area that people who cannot afford a car or don't have a car that is reliable are able to rent a car.
18. Ms. Barbara Schneider represents Taco Bell on Snelling Avenue. She wants to express their concern that their parcel, which is not directly situated on University Avenue, would become nonconforming. It would prevent them from doing any potential remodeling or image enhancement at the restaurant, impact their financing ability and eventually they

are concerned that they would be forced to close their doors. She brought with her Jim Erickson to share their interpretation of the impact of being a nonconforming property.

19. Mr. Jim Erickson represents Taco Bell, QSR Plus, a trade association representing fast food restaurants. Mr. Erickson said there are a number of uses that will become nonconforming. He would like to point out, looking at the sheet which describes the Central Corridor/Traditional Neighborhood Zoning Study key points, under "What is Being Proposed," bullet points 4,5 & 6 are accurate to the extent that they make a general statement, but general statements are a little abrupt. Points 5 & 6 are somewhat disingenuous statements; they are true in the abstract, but the actual impact of being a non-conforming use is that it is harder to finance, harder to make improvements, harder to expand. Almost all of his quick service restaurant clients are transit (meaning driving around the city, not getting on the bus or light rail) uses. The proposed zoning is transit oriented or anti-auto, trying to get people out of automobiles. While trying to limit people's access to auto related uses, he asks to keep in mind that these restaurants continue to serve the city well and serve the population.

Commissioner Schertler suggested that fast food restaurants are automobile intensive, it is a consumption of right-of-way issue. In this case they are putting on the surface of the street a fixed guideway rail system and it doesn't move. There is a real physical reality that is going to occur, that is going to limit automobile drive-up uses. The fundamental aspect of University Avenue is going to change, and that is easy automobile access. The challenge is less about the content of what you sell than the manner in which you sell it with the automobile. That applies to all automobile access uses, not repair shops but the people who are shopping out of their cars, which is going to change.

20. Ms. Joy Johnson is Senior Pastor of Bethlehem Lutheran Church and her concern is primarily with the housing. Some of the members in her congregation have lived in the Hamline-Midway neighborhood for many years and they are now eighty and ninety years in age. They are scared that they are going to be forced out along with some of the new couples coming in wanting to start their families in that neighborhood. Many people are concerned that they may lose their homes as property values rise and taxes increase. We need to be concerned about people who are on the margins, where are they going to live, where are they going to be pushed out as a result to what happens with light rail. Also consider Metropolitan Interfaith Council on Affordable Housing's (MICAHA) proposed 50/50 Plan for zoning that would require that 50 percent of new housing built be affordable. Be concerned about the people who are already living in the neighborhood, that they not be forced out because of property values and increased taxes being placed upon them.
21. Ms. Elizabeth Druman is a member of Bethlehem Lutheran Church and she supports the MICAHA's proposal of the 50/50 Plan and the Save Our Homes campaign. She hopes that any new construction of housing be affordable for low income people and also not to be driven out by fancy high rises that have high cost housing. People who currently own their homes and who are frail and elderly should not have to move because of high tax increases.
21. Ms. Debbie Montgomery represents the Aurora/St. Anthony neighborhood and Preserve Historic Rondo. Their major concern is about encroachment and there is a particular

spot, where the Dairy Queen and O'Reilly Auto Parts are that is proposed to be zoned T3. They are concerned with the height that would allow and think it should be a T2, because there are single family homes immediately behind it. Another concern is at the corner of University and Lexington on the southeast side that is proposed for TN4. There is a possibility of twelve stories and that deals with encroachment. Also, the residential goes back to the alley and in that one block there is the HUB Center, the old Lexington Library, St. Paul Church and the Money Bank. Across the street is Kentucky Fried Chicken and Auto Zone which are proposed to be zoned TN2 so would not encroach upon the houses immediately behind them. Back to the Dairy Queen and O'Reilly's, they are located on Lexington Parkway and going down the Parkway there is not a lot of density so why is it that when you get to that part of the Parkway with her neighborhood that we should have higher density? Another concern is the quality of life. They want to make sure as previously stated that there is only commercial back to the alley and then residential. So use of the alley way is an issue because 30 percent of the population in the area is over 60 years old and 28 percent is under the age of fourteen so there are a lot of kids and a lot of seniors and they are having a few issues on trying to figure out how to navigate through this. They support small businesses, they want jobs and they think that it can be done with less density, especially in the Aurora/St. Anthony area.

22. Veronica Burt with the Preserve and Benefit Historic Rondo Committee and members are concerned about the zoning changes and changes in general. They are concerned about economic displacement, loss of cultural character, fear of greater physical isolation and encroachment into the fabric of Rondo Community. A lot of that would occur with new structures that are taller and new structures that are more expensive and out of the affordability range that the people in the community can afford. They see this as a way of ushering in another era of revitalization that the community has experienced living in that geographic location for years. A lot of the work that they have been doing is looking at the intersection of both the relationship of the light rail as well as the land use and seen the partnership of the two. They have concerns about impacts associated with light rail, and don't want to lose community assets due to land use changes that will take place within their boundaries. Overall they want to see some creative zoning considerations that will help to preserve and enhance the community. The aim is trying to come into a Rondo renaissance, trying to go back to that past and pull out the best of that and bring it into the future.
23. Mr. Tetra Constantino is owner of Elsa's House of Sleep on University Avenue since 2002. University Avenue is good for retail and after all this new zoning it will not be good for retail. Currently their business is zoned B3 which is for retail and TN2 is not for retail, actually to have retail in TN2 you have to request a variance.

Commissioner Kramer said the information Mr. Constantino has on TN2 zoning and what it allows is incorrect. He asked if staff could explain what is and is not allowed in TN2.

Donna Drummond, Planning Director, said that the TN districts allow just about every kind of retail use. His business would certainly be permitted under the Traditional Neighborhood District. However there are limits on the size, if the size wants to be larger than 10,000 square feet then a conditional use permit is needed and we are currently

proposing to increase that to 15,000 square feet before you would need a conditional use permit.

Mr. Constantino said that there is nothing wrong with the current B3. Going to this TN2 is a big unknown. The B3 zoning allows for a greater number of commercial uses, whereas TN2 is more residential. Retail is viable on the Avenue and it does bring in revenue, but by limiting the amount of cars, parking and other things this zoning will eventually eliminate a lot of retail. They do not want to have their zoning changed from B3 to TN2.

24. Anne White was previously a member of the University Avenue Task Force that put together the Development Strategy. She is a strong supporter of the provisions that are being put forward here today for zoning. She has four specific comments. First she commends staff for putting in place a requirement for set-backs on University Avenue for non-residential properties of 4 to 10 feet. Secondly, on the proposal to eliminate a minimum parking requirement in station areas she thinks it is a mistake to go that far. Ms. White said the City needs to move in that direction, but it would be more appropriate to start with 50 percent of the requirements elsewhere in the city rather than going directly to the no parking requirements. Thirdly she agrees with the other speakers who have talked about the need for some inclusionary zoning to ensure that a mix of different incomes along University Avenue are retained by having sufficient affordable housing. Her final comment is on a piece in her neighborhood by Iris Park and she hopes that this is a mistake; the map indicates that the small piece of Iris Park which touches on University Avenue is being zoned T4. That should be retained as a park. Ms. White also suggested consideration of zoning 100 feet on either side of that parkway entrance T3 instead of T4 so that you step down to the park.
25. Judd Fenlon, is Director of Real Estate Development for Wellington Management and a member of the Midway Chamber. They have a site along University Avenue that they have been working on for the past 3-years where they have proposed an office building, a 5-story, 100,000 square feet building. Part of his concern is the economic reality of building an office building versus single-story office showroom. Historically the Midway has got a lot of diversity in terms of the commercial tenants or building owners who operate their businesses there. There are numerous examples throughout the Twin Cities and Saint Paul of single story buildings that are predominately brick or stone. He thinks that they are going to be squeezing out tenants who would be typically operate out of buildings like that. On the west end of University Avenue there is a shared border with Minneapolis, where those types of buildings are not being prohibited at this time and he is concerned that when some of these large parcels are rezoned along the west end of University those jobs and businesses are going to move one block over to locate in Minneapolis rather than pay twice the rental to be in one of the 5-story office structures that is being planned for this area. Competition for product that would fit into the zoning classification is going to be difficult. There is a market for some of the buildings around station areas and we are going to find developers and users interested in this product type. Moving north and south on University there should opportunities for that single-story office product to support some of these up and coming firms.
26. Jessica Treat is with Saint Paul Smart Trips. They envision University Avenue where getting around by the automobile is no longer the dominant mode. They do support a

couple of things in the zoning language; one would be removing the parking requirements at station areas. This will provide a better balance of need for parking. As for the application of (TDM) Travel Demand Management Plan requirements to downtown Saint Paul, they support the change in language that allows that. The TDM plan is a tool for managing the impact of land uses on the road network. Smart Trips has one area of concern with eliminating the parking requirements. There are some bike parking provisions included in the parking code and by eliminating parking requirements those bike provisions would not be there. That language should be changed so that bike parking is provided in station areas.

Commissioner Spaulding said looking at the testimony about TDM planning downtown, the Saint Paul Area Chamber had concerns about the application to residential and retail uses. Do you have any additional insight to that?

Ms. Treat said the requirement applies to uses with 100 or more parking spaces provided and it seemed like their concern was about applying it to housing or retail uses. They were talking about uses that come in and have a significant supply of parking and those are the ones that the requirement is going to address. She does not see a concern for retail.

27. James Kilau is a business owner located on Snelling and Thomas. He has a car lot which is currently vacant. Although some property owners do not keep their property up to par, he has had his property for 40-years and it has always been kept in nice shape. Mr. Kilau does not want car-related businesses to be forced out just because a few businesses don't take care of their property. He said car related businesses are very important in any area.

MOTION: *Commissioner Commers moved to continue the public hearing to December 3, 2010, and leave the record open for written testimony until 4:30 p.m. on Monday, December 6, 2010, and to refer the matter back to the Comprehensive Planning Committee for review and recommendation. The motion carried unanimously on a voice vote.*

V. Zoning Committee

SITE PLAN REVIEW – List of current applications. (Tom Beach, 651/266-9086)

One item to come before the staff Site Plan Review Committee on November 23, 2010. The Boys and Girls Club Addition located at 291 Belvidere Street East, the west side addition and renovations.

One item to come before the staff Site Plan Review Committee on November 30, 2010. The Macalester Arts Center Phase located at 130 Macalester Street, a new 100,000 square foot complex (320 seat concert hall, 2 art galleries classrooms, offices).

NEW BUSINESS

#10-914-354 Minnwest Bank Metro – Rezoning from B3 General Business to RM2 Medium-Density Multiple-Family Residential. 1870 Old Hudson Road between White Bear Avenue and Hazel. (Penelope Simison, 651/266-6554)

Commissioner Commers said that they received a letter from the owner of the neighboring property and there was some STAR investment in removing asbestos on the neighboring site. What is the status of the development?

Penelope Simison, PED staff, said that the developer of the assisted living to the east of the subject property has demolished the buildings and the site is vacant. The STAR money was used to remove the asbestos. Private financing for that project is on hold. This is not a unique situation with the conservative financing climate for the last 2-3 years. The financing agency has concerns about the market and whether two assisted living projects in such a close proximity can be viable.

MOTION: *Commissioner Kramer moved the Zoning Committee's recommendation to approve the rezoning. The motion carried unanimously on a voice vote.*

#10-915-506 Minnwest Bank Metro – Conditional Use Permit for an assisted living facility.
1870 Old Hudson Road between White Bear Avenue and Hazel.
(Penelope Simison, 651/266-6554)

MOTION: *Commissioner Kramer moved the Zoning Committee's recommendation to approve the conditional use permit subject to additional conditions. The motion carried unanimously on a voice vote.*

Commissioner Kramer noted that the application for the conditional use permit that was just approved has been amended to include the parking across the street and the date on the site plan submitted has been corrected, so the conditions of the permit apply to the entire area, including the parking lot.

Commissioner Kramer announced the item on the agenda for the next Zoning Committee meeting on Tuesday, November 23, 2010.

VI. Comprehensive Planning Committee

Commissioner Commers had no report.

VII. Neighborhood Planning Committee

Robert/Cesar Chavez Small Area Plan – Approve resolution initiating planning process.
(Kate Reilly, 651/266-6618)

MOTION: *Commissioner Merrigan moved the Neighborhood Planning Committee's recommendation to approve the resolution initiating a small area plan. Commissioner Ward seconded the motion. The motion carried unanimously on a voice vote.*

Near East Side Small Area Plan and Zoning Study – Approve resolution initiating a planning process and zoning study. (Luis Pereira, 651/266-6591, and Penelope Simison, 651/266-6554)

MOTION: *Commissioner Alton moved the Neighborhood Planning Committee's recommendation to approve the resolution initiating a plan and zoning study. Commissioner Kramer seconded the motion. The motion carried unanimously on a voice vote.*

VIII. Transportation Committee

Commissioner Spaulding said that they met and talked about a number of issues. The big one was the City's successful federal Tiger II grant to fund an effort to develop complete streets policies and standards for the City.

IX. Communications Committee

None.

X. Task Force Reports

No reports.

XI. Old Business

None.

XII. New Business

None.

XIII. Adjournment

Meeting adjourned at 11:55 a.m.

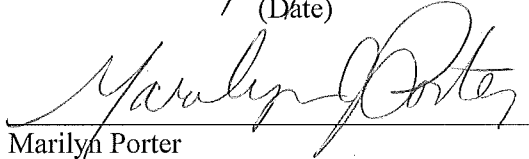
Recorded and prepared by
Sonja Butler, Planning Commission Secretary
Planning and Economic Development Department,
City of Saint Paul

Respectfully submitted,



Donna Drummond
Director of Planning

Approved 12/17/2010
(Date)



Marilyn Porter
Secretary of the Planning Commission